

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 31 May to 2 June 2005

Question: Bud 44

Topic: NCC – Legal Service Expenditure

Hansard Page: Written

Senator Ludwig asked:

1. What amount did the Agency spend during the financial year 2004/2005 on outsourced legal practitioners (including private firms, individuals, the Australian Government Solicitor, and any others)?
2. What was the budgeted amount for outsourced legal practitioners in 2004/2005?
3. What amount did the Agency spend on internal legal services? (Provide an estimate if exact amount is unavailable.)
4. Does the Agency have an in-house legal section? If so, what was the 2004/2005 actual cost of this section? What was the budgeted amount for this section in 2004/2005? What is the budget amount for this section in 2005/2006?
5. What is the total projected expenditure on legal services for 2005/2006 for the Agency?
6. Which organisations or individuals were contracted to provide legal services to the Agency in 2004/2005?
7. In each instance, how much was each organisation or individual paid for these services?
8. Does the Agency use an open tendering or select tendering process (as described in the Commonwealth Procurement Guidelines, p 42) when procuring legal services?
9. If a select tendering process is used: (a) which method of select tendering is used and (b) which firms or individuals are currently eligible to tender for legal services?
10. If a multi-use list is used: (a) which firms or individuals are currently on that list and (b) when was the list last opened for applications?
11. In 2004/2005 did the Agency obtain any legal services using a direct sourcing procurement process? If so, provide details including the name of the provider, the work involved and the cost?
12. In 2004/2005 did the Agency procure any legal services under the thresholds required for 'covered procurements' (within the meaning of 8.6 of the

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Commonwealth Procurement Guidelines)? If so, provide details including the name of the provider, the work involved and the cost.

13. In 2004/05 did the Agency contract any legal firms to provide services other than legal services (such as consulting, conduct of policy reviews etc)? If so, provide details including the name of the firm, the project involved and the cost of the contract.

Answer:

1. The National Competition Council has spent \$503,817 on outsourced legal practitioners during the 2004/2005 financial year.
2. The budgeted amount for outsourced legal practitioners in 2004/2005 is \$370,000.
3. The Council has not incurred any expense on internal legal services.
4. No, the Council does not have an in-house legal section.
5. Total projected expenditure on legal services for 2005/2006 is \$618,000
6. Organisations contracted to provide legal services to the Council for 2004/05 are Phillips Fox, Clayton Utz and the Australian Government Solicitor.
7. Listing of payments to the above organisations for services provided to the Council for 2004/05 as follows:

Legal service provider	Total
Phillips Fox	\$396,993
Clayton Utz	\$101,992
Australian Government Solicitor	\$4833

8. The Council does not use an open tendering or select tendering process when procuring legal services.
9. See response to 8 above.
10. Not applicable.
11. In 2004/2005 the Council obtained legal services using a direct sourcing procurement process. In respect of all the matters for which solicitors were

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engaged, the range of solicitors firms with the necessary experience to undertake the work is extremely limited. The choice is further limited by the need to avoid conflict of interest situations.

Details of legal firms obtained through direct sourcing is set out in the response to Question 7.

12. Legal services procured by the Council in 2004/05 which were under the 'covered procurement' threshold of \$80,000 as follows:

Legal service provider	Amount
Clayton Utz	\$1,281
Australian Government Solicitor	\$472
Australian Government Solicitor	\$4361

13. No; the Council has not contracted any legal firms in 2004/2005 to provide services other than legal services.